BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

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POSTAL RATE CEMBERSHOW OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

INTERROGATORIES OF ASSOCIATION FOR POSTAL COMMERCE TO USPS WITNESS MOELLER (POSTCOM/USPS-T-32-6-7)

Pursuant to Sections 25 and 26 of the rules of practice, the Association for Postal Commerce submits the attached interrogatories to USPS witness Moeller: PostCom /USPS-T-32-6-7.

Respectfully submitted,

In Dohn FW

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N. Frank Wiggins
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Counsel for Association for Postal Commerce

October 29, 2001

POSTCOM/USPS-T32-6. Please refer to USPS-LR-J-132. Assume that the difference (as estimated using a model similar to that contained in USPS-LR-J-61) between the unit cost of Standard Regular MADC automation flats and the unit cost of Standard Regular ADC automation flats is 5.039 cents. Assume further that the volume of Standard Regular MADC automation flats is 135,721,800 and the volume of Standard Regular ADC automation flats is 210,414,564. Please confirm that setting the Standard Regular rate for MADC automation flats to \$0.331 (rounded from \$0.33063) and the Standard Regular rate for ADC automation flats to \$0.280 (rounded from \$0.28024) passes through approximately 100 percent of the 5.039 cent cost difference between a Standard Regular MADC automation flat and a Standard Regular ADC automation flat while generating approximately the same amount of revenue as the basic automation flat rate of \$0.300. If you do not confirm, please explain your response and provide the appropriate rates and your underlying calculations.

POSTCOM/USPS-T32-7. Please refer to page 3 of USPS-T-32 where you discuss the Postal Service's proposal to deaverage the rate for Basic Automation letters into separate rates for MAADC and AADC letters. Please explain the reasons why the Postal Service's rate design contains more presort levels for automation letters than for presort letters.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record to date in this proceeding in accordance with section 12 of the rules of practice.

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